

Exhibit E

Authorisation, objectives and methods of
operation of Foreign-Non-Governmental
Organisations

Decree 55/98 of 13 October

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Creates the legal framework and defines the criteria governing the authorisation, objectives and methods of operation of foreign non-governmental organisations

The complementary role that non-governmental organisations (NGOs) play alongside the government's initiatives for the rehabilitation and development of the country calls for the creation of a legal framework to define the criteria governing the authorisation, objectives and methods of operation of these organisations.

Therefore, under article 20 of Law 8/91 of 18 July, the Council of Ministers decrees:

Article 1 (Definitions)

For the purposes of this decree:

1. Non-governmental organisations (NGOs) – means not-for-profit corporate persons governed by private law, which are involved, specifically, in emergency, rehabilitation or development programmes. They may be associations, foundations or other forms of corporate person of a similar nature, pursuing objectives of co-operation for social and economic development.
2. Authorisation – means the grant needed for an NGO to be able to begin and carry out its activities in the national territory.
3. Central supervising authority – means the Ministry that oversees the main activity to be carried out by an NGO in the national territory.

Article 2 (General principles)

1. Authorisation to carry out activities in Mozambique will be given to NGOs whose articles of association (byelaws) are compatible with the Government programme, especially with regard to rural and peri-urban development and, specifically, the areas of education, health, water supply and the transfer of know-how and technology.
2. Foreign NGOs shall build national capacity so that their partners can continue projects that have been initiated and ensure their sustainability.
3. In the pursuance of their activities, foreign NGOs shall be barred from carrying out or promoting activities of a political nature.

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Article 3
(Purpose)

The general objective of NGOs is to devote themselves to assisting the population, irrespective of their ethnic origin, race, religion or social status, and to participate in the eradication of poverty, particularly by means of actions that increase family income and create jobs.

Article 4
(Scope of application)

This decree applies to foreign NGOs that carry out activities in the Republic of Mozambique, in the context of national emergency, rehabilitation or development programmes.

Article 5
(Authorisation)

1. The Minister of Foreign Affairs and Co-operation is given the power to authorise foreign NGOs to commence their activities, after he or she has consulted the central supervising authority.
2. An application for authorisation referred to in paragraph 1 of this article shall be made by means of a letter of request accompanied by the following documents:
 - a) Authenticated copy of the articles of association, which demonstrate the legal existence of the organisation in its country of origin;
 - b) Proposed general programme of activities that the organisation intends to carry out in Mozambique;
 - c) Description of the organisation's background and its operational experience;
 - d) Staff that the organisation proposes to employ;
 - e) Document demonstrating the organisation's capacity and the availability of financial resources required for carrying out the activities in Mozambique.
3. The letter of request shall also show the name of the NGO and its head office or domicile.

Article 6
(Commencement of activities)

1. Non-governmental organisations shall only begin carrying out their activities after authorisation to do so has been granted.

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2. The authorisation referred to in paragraph 1 of this article will be valid for two years and it may be extended if the parties so agree.
3. The central supervising authority shall approve the activity programme proposed by the NGO, in accordance with sectoral policy, and it shall check whether the proposal complements the Government programme.
4. The central supervising authority that oversees the activity of the NGO shall have the power to designate which province the activities should be carried out in, taking into consideration the need to apply the principle of equity in the development of the country. Provincial governments shall designate which district or municipality the NGO should operate in, and the NGO shall decide which locations to carry out its projects in.

Article 7
(Filling job positions)

The employment of foreign workers shall comply with the labour legislation in force in Mozambique.

Article 8
(Activity report)

During the performance of their activities, NGOs shall submit annual activity reports in accordance with procedures to be laid down by the Minister of Foreign Affairs and Co-operation.

Article 9
(Tax obligations)

1. Non-governmental organisations shall register with the tax department in their tax area, after the authorisation referred to in article 6(1) has been granted and before they commence activities.
2. Non-governmental organisations shall be subject to tax inspection or audits, strictly in the terms of the tax legislation in force.

Article 10
(NGOs in operation)

Foreign NGOs that already exist on the date upon which this decree enters into force shall make the necessary adjustments to bring themselves into line with the provisions of this decree, within a period of one hundred and twenty days.

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Article 11
(Omissions and applicable legislation)

1. Matters not dealt with in this decree shall be governed by Law 8/91 of 18 July, Decree 53/95 of 5 December and other legislation in force.
2. The Minister of Foreign Affairs and Co-operation shall pass regulations to implement this decree.

Approved by the Council of Ministers.

Let it be published.

The Prime Minister, *Pascoal Manuel Mocumbi*.